

EUROPEAN ECONOMY

COMMISSION OF THE EUROPEAN COMMUNITIES • DIRECTORATE-GENERAL FOR ECONOMIC AND FINANCIAL AFFAIRS

Supplement B — No 4 — April 1989

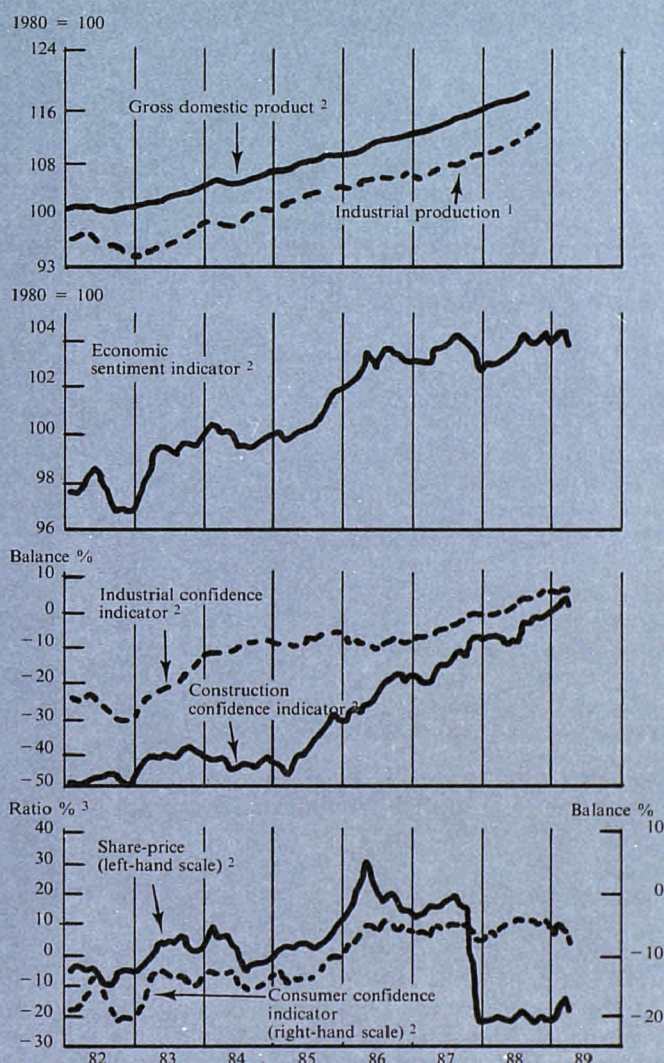
Business and consumer survey results

*In this number:
International indicators*

THE MAIN POINTS IN BRIEF

- Economic growth in the Community continues unabated. There is no sign of the pace of growth slackening. Industrialists' judgments again confirm the confident economic mood.
- Domestic demand continues to be the engine of economic activity in the Community. The main driving force is the growth in investment activity. According to the most recent survey results, export demand has again strengthened and is making a substantial contribution to the favourable level of economic activity in Europe.
- In the course of 1988, confidence in the world economy improved steadily. This is confirmed by the answers to a survey carried out in December 1988 in some 50 countries. The experts questioned considered that activity was receiving a stronger stimulus from private investment than from private consumption.
- The world leading indicator for economic activity has stabilized at high level and therefore signals that the world economic climate will continue to be favourable.

GRAPH 1: Indicators of output and economic sentiment — European Community

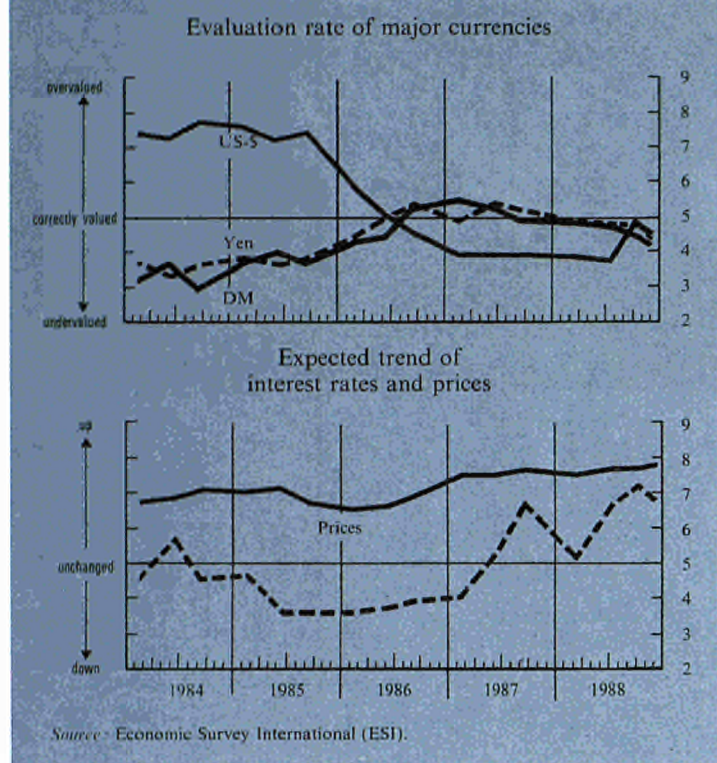


¹ Three-month moving average.

² See notes to Table 3.

³ Deviations from trend in %.

GRAPH 2: Experts' judgments on the evaluation of selected currencies and interest rate and price expectations on average for the 48 countries examined



Dynamism is still a feature of the European economy. — Economic growth in the Community continues unabated. At present there is no sign of the pace of growth slackening. This is signalled by the economic indicators available to March 1989. Assessments by industrialists, construction firms and retailers again confirm the confident economic mood. The recently observed weakness in consumer confidence, on average for the Community, was caused by seasonal factors.

Domestic demand continues to be the engine of economic activity in the Community. — The lasting economic growth in Europe is mainly underpinned by vigorous domestic demand, which is characterized by growing investment activity. From month to month, industrial firms producing investment goods are increasingly positive concerning their order-books and on balance consider that they are more than full enough for production plans to be realized in the months ahead. The persistently good investment climate in Europe is supported by the high level of capacity utilization. Taking the average for the Community there is no sign of the economy overheating. Although, in the fourth quarter of 1988, more companies signified their intention of increasing prices, there was no further increase in such intentions in the first three months of this year.

According to the most recent survey results, export demand has also strengthened further and has made a substantial contribution to economic activity in Europe.

The favourable level of world economic activity is continuing. — Confidence in the *world economy* increased steadily in the course of 1988. This is confirmed by the answers to the questions put by the IFO Institute in December 1988 to more than 300 experts in 48 countries. At the request of the Directorate-General for Economic and Financial Affairs of the Commission of the European Communities, this survey is now being carried out at regular three-monthly intervals. In December 1988, taking the average for the countries examined, assessments reached their highest level since this survey began in September 1981 (Table 1). The experts questioned considered that activity was receiving

a stronger stimulus from private investment than from private consumption. Expectations concerning *future economic activity* were somewhat more cautious, but this must be seen against the background of the favourable starting situation. In the main the experts continue to expect that world economic activity will be satisfactory to favourable. This opinion is also reflected in their assessment of *investment sentiment* throughout the world. Taking the average for all the 48 countries included in the survey, the industrial investment climate is rated as favourable and the experts questioned expect that in the next six to twelve months the present investment climate, which is good for the most part, will improve further.

TABLE 1: Experts' assessment of the general economic activity in the world

Survey period	Economic situation	Economic expectations	Export expectations
Sept. 1981	3.3	5.2	5.8
Feb. 1982	2.9	7.0	6.9
June 1982	2.5	6.8	6.4
Sept. 1982	2.1	6.4	6.1
Feb. 1983	2.0	6.9	6.2
Sept. 1983	3.3	7.3	7.1
Feb. 1984	4.7	7.4	7.9
June 1984	5.0	6.5	7.9
Sept. 1984	5.0	6.6	7.7
Feb. 1985	5.3	6.3	7.1
June 1985	4.8	5.8	6.7
Sept. 1985	4.6	5.8	6.7
Feb. 1986	5.4	5.9	6.5
June 1986	5.2	6.4	6.3
Sept. 1986	5.6	5.9	6.3
Feb. 1987	5.0	5.5	6.4
June 1987	4.8	5.4	6.0
Sept. 1987	5.2	5.9	6.7
Feb. 1988	5.4	4.3	6.4
June 1988	6.5	6.4	7.0
Sept. 1988	6.8	4.8	7.2
Dec. 1988	7.0	4.6	7.0

1 = deterioration, 5 = no change, 9 = improvement.

Source: Economic Survey International (ESI).

World wide there is also virtually no expectation that price rises will accelerate further, and accordingly the experts feel that there is no threat of an escalation of interest rates; instead, interest rate rises should slow down.

In September the experts questioned had considered that the United States dollar was correctly valued against their own currency, but in December more managers again inclined to the view that the United States dollar was if anything somewhat undervalued again. The same applies to their evaluation of the Japanese yen and the German mark. However, the respondents still considered that sterling was somewhat overvalued (see Table 2).

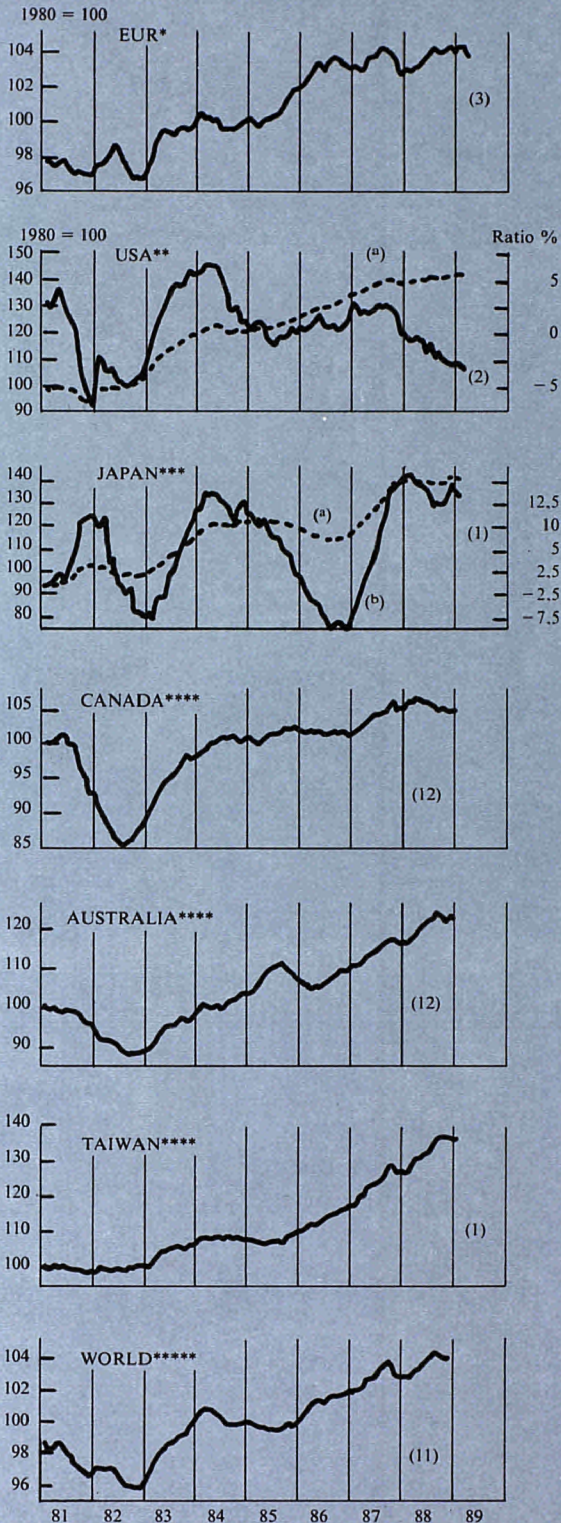
TABLE 2: Evaluation (a) of major currencies
— average of all countries covered —

Survey period	US-\$	DM	UK£	Yen
Sept. 1982	6.7	3.4	5.6	3.2
Sept. 1983	6.7	3.3	5.0	3.4
Sept. 1984	7.7	2.8	4.6	3.6
Sept. 1985	7.4	3.5	5.4	3.8
Sept. 1986	4.5	5.1	4.8	5.4
Sept. 1987	3.9	4.8	5.1	5.2
Sept. 1988	4.9	4.4	5.5	4.8
Dec. 1988	4.5	4.2	5.3	4.4

a) 9 = overvalued, 5 = correctly valued, 1 = undervalued.

Source: IFO Institute Economic Survey International (ESI).

GRAPH 3: International leading indicators



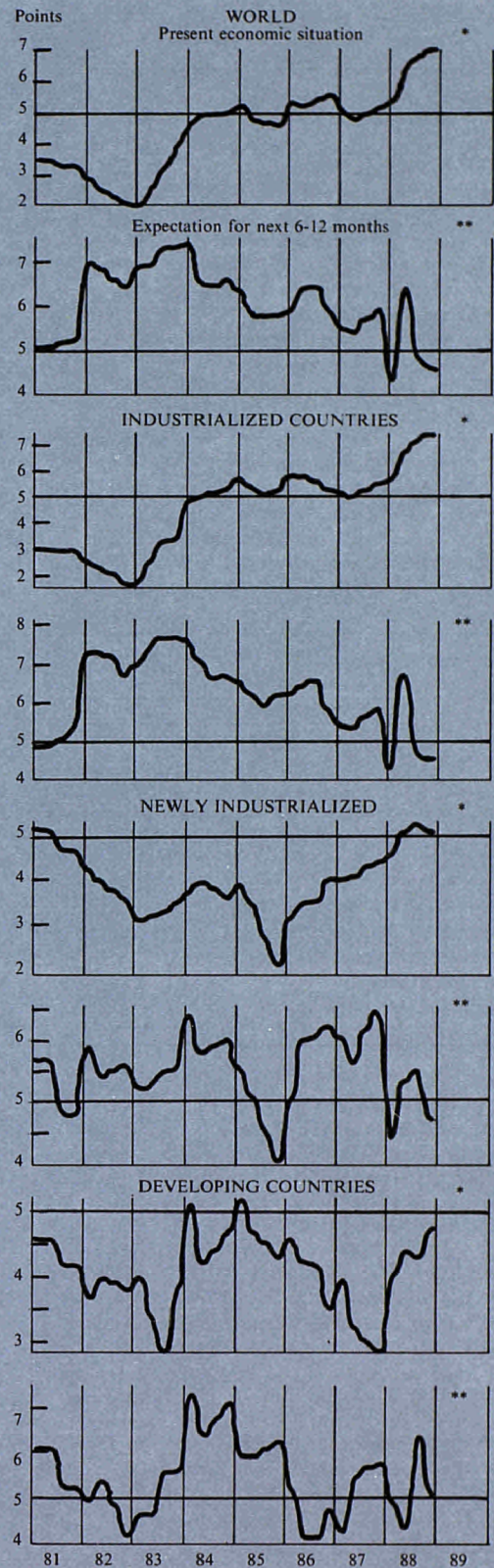
(a) Index 1980 = 100 (left-hand scale).

(b) Deviation from trend in % (right-hand scale).

Arabic number indicates last month for which data are available ('3' March).

Sources: * Commission of the European Communities; ** US Department of Commerce; *** Economic Planning Agency of the Japanese Government; **** Columbia University, New York; ***** Components of the composite leading world indicator are the 6 regional leading indicators presented in Graph 8 and the 4 series of the Economic Survey International for newly industrialized and developing countries (see Graph 9).

GRAPH 4: Economic survey international



The Economic Survey International has been conducted by the Ifo-Institute 4 times per year (February, June, September, December) and is based on the answers of about 500 economic experts in about 50 countries. The replies are 'graded': positive responses (+) receive a grade of 9, indifferent ones (=) a grade of 5 and negative ones (-) a grade of 1. Grades between 5 and 9 imply a preponderance of positive replies or increases, while grade between 5 and 1 indicate that negative replies or decreases predominated.

Source: Ifo-Institute for Economic Research, Munich.

The world leading indicator stabilized at a high level. — After its marked rise in the course of 1988, the leading indicator for world economic activity towards the end of the year stabilized at the high level it had reached. This indicator is calculated on the basis of the leading indicators for economic activity in the European

Community, the United States, Japan, Canada, Taiwan and Australia. The results of the ESI economic survey are also included.

TABLE 3: Indicators of output and economic sentiment

		Ranges				1988		1988		1989	1988			1989		
		Peak Trough		Peak Trough		1988	1988	III	IV	I	Oct.	Nov.	Dec.	Jan.	Feb.	March
		1972/73	1974/75	1979/80	1981/83											
B	<i>gross domestic product</i>	1980 = 100				:	:	:	:	:	:	:	:	:	:	:
	<i>index of industrial production</i>	102,5	76,5	106,3	92,4	:	:	:	:	:	:	:	:	:	:	:
	1. industrial confidence indicator	19	-56	-4	-35	-5	-3	-2	-1	-2	-3	-1	-1	-1	-1	0
	2. construction confidence indicator	9	-36	-7	-65	-15	-14	-8	-5	-8	-10	-6	-5	-3	-6	-6
	3. consumer confidence indicator (c)	7	-18	-7	-31	-6	-5	-3	-2	-4	-3	-2	-3	-2	-1	-1
	4. share-price index (c)	155,1	98,0	114,3	75,0	315,1	315,8	339,7	365,6	334,8	338,0	346,3	363,2	370,0	363,7	363,7
	= 5. economic sentiment indicator	109,0	98,9	103,9	96,8	103,1	103,2	103,9	104,3	103,7	103,8	104,2	104,1	104,3	104,4	104,4
DK	<i>gross domestic product</i>	1980 = 100				:	:	:	:	:	:	:	:	:	:	:
	<i>index of industrial production</i>	:	:	107,7	95,5	:	:	:	:	:	:	:	:	:	:	:
	1. industrial confidence indicator	:	:	-22	-1	-1	-1	4	-1	(-1)	(-1)	4	(4)	(4)	(4)	(4)
	2. construction confidence indicator	:	:	-37	-10	-18	-15	-12	-15	(-15)	(-15)	-12	(-12)	(-12)	(-12)	(-12)
	3. consumer confidence indicator (c)	:	-16	5	-22	-16	-16	-19	-17	-16	-18	-22	-20	-14	-17	-17
	4. share-price index (c)	:	:	:	:	396,3	410,4	468,4	540,8	454,0	463,3	488,0	539,4	545,9	537,0	537,0
	= 5. economic sentiment indicator	:	:	:	:	102,3	102,1	102,6	:	102,5	102,6	102,8	103,5	103,8	:	:
D	<i>gross domestic product</i>	1980 = 100				85,1	83,3	101,2	98,9	:	115,1	:	:	:	:	:
	<i>index of industrial production</i>	92,0	82,4	103,1	91,4	110,8	112,1	112,7	:	111,7	112,3	114,0	:	:	:	:
	1. industrial confidence indicator	10	-49	2	-40	-4	-1	1	3	1	1	1	2	3	4	4
	2. construction confidence indicator	-4	-72	11	-64	-28	-28	-23	-18	-25	-24	-20	-20	-16	-19	-19
	3. consumer confidence indicator (c)	:	-22	9	-31	-5	-4	0	-3	0	0	-1	-2	-3	-3	-3
	4. share-price index (c)	109,0	75,2	115,6	97,6	217,9	224,7	241,6	253,2	241,0	239,9	243,8	255,2	252,9	251,6	251,6
	= 5. economic sentiment indicator	103,8	97,0	103,6	94,7	100,0	100,3	101,1	101,1	101,1	101,1	101,1	101,1	101,1	101,0	101,0
F	<i>gross domestic product</i>	1980 = 100				85,4	84,2	99,8	102,4	:	116,3	:	:	:	:	:
	<i>index of industrial production</i>	96,7	82,2	105,2	94,8	108,0	109,1	109,6	:	107,1	111,4	110,4	:	:	:	:
	1. industrial confidence indicator	29	-49	5	-39	4	6	9	10	10	8	9	10	11	9	9
	2. construction confidence indicator	:	:	-17	-57	-4	2	-1	-2	-1	(-1)	(-1)	-2	(-2)	(-2)	(-2)
	3. consumer confidence indicator (c)	:	-9	3	-27	-11	-10	-11	-10	-11	-10	-13	-9	-10	-11	-11
	4. share-price index (c)	86,6	53,6	101,2	82,7	317,3	331,4	369,2	415,3	363,4	371,7	372,4	411,0	421,8	413,2	413,2
	= 5. economic sentiment indicator	107,8	97,6	101,8	95,1	100,5	101,1	101,0	101,3	101,2	101,2	100,7	101,5	101,5	100,9	100,9
IRL	<i>gross domestic product</i>	1980 = 100				:	:	:	:	:	:	:	:	:	:	:
	<i>index of industrial production</i>	80,4	72,3	103,8	99,6	119,0	160,0	:	:	:	:	:	:	:	:	:
	1. industrial confidence indicator	:	-41	20	-40	2	7	5	8	10	4	2	5	6	14	14
	2. construction confidence indicator	:	:	-60	-5	7	14	18	14	14	(14)	(14)	18	(18)	(18)	(18)
	3. consumer confidence indicator (c)	:	-41	12	-44	-16	-15	-13	-8	-16	-12	-12	-9	-6	-8	-8
	4. share-price index (c)	85,8	29,9	112,2	79,4	340,5	361,9	:	:	:	:	:	:	:	:	:
	= 5. economic sentiment indicator	109,1	96,7	103,6	98,1	102,1	102,6	103,0	103,8	102,7	103,1	103,1	103,5	104,0	104,0	104,0
I	<i>gross domestic product</i>	1980 = 100				80,4	77,2	101,2	98,2	:	120,7	:	:	:	:	:
	<i>index of industrial production</i>	87,9	72,6	104,7	98,1	108,6	109,9	111,3	:	109,6	110,6	113,8	:	:	:	:
	1. industrial confidence indicator	31	-59	13	-41	6	6	12	12	10	13	12	12	11	13	13
	2. construction confidence indicator	-8	-56	-5	-51	-13	-8	-11	-12	-15	-7	-10	-8	-11	-18	-18
	3. consumer confidence indicator (c)	:	-39	-12	-30	-4	-4	-3	-4	-4	-1	-4	0	-4	-9	-9
	4. share-price index (c)	169,6	68,5	185,0	116,9	531,8	549,0	590,3	602,5	588,0	594,0	588,9	614,7	595,4	597,4	597,4
	= 5. economic sentiment indicator	103,8	97,4	101,6	97,6	102,6	102,8	103,1	102,8	102,9	103,5	102,9	103,5	102,8	102,0	102,0
NL	<i>gross domestic product</i>	1980 = 100				:	:	:	:	:	:	:	:	:	:	:
	<i>index of industrial production</i>	94,8	87,1	117,5	90,7	107,3	109,3	110,3	:	112,0	111,0	108,0	:	:	:	:
	1. industrial confidence indicator	12	-44	4	-31	-2	-1	0	1	-1	0	1	1	0	1	1
	2. construction confidence indicator	3	-47	3	-46	1	5	6	0	6	7	5	3	-1	-3	-3
	3. consumer confidence indicator (c)	6	-15	5	-37	1	3	2	11	2	3	2	12	10	10	10
	4. share-price index (c)	:	86,3	122,8	92,8	315,8	333,0	334,2	330,7	336,7	331,4	334,6	358,6	365,0	268,6	268,6
	= 5. economic sentiment indicator	107,8	100,7	105,3	97,1	105,8	106,5	106,4	107,3	106,4	106,5	106,4	108,0	107,6	106,4	106,4
UK	<i>gross domestic product</i>	1980 = 100				94,6	91,0	102,5	97,7	:	124,1	:	:	:	:	:
	<i>index of industrial production</i>	92,7	89,6	110,0	93,8	118,6	120,0	119,7	:	119,9	120,7	118,5	:	:	:	:
	1. industrial confidence indicator	:	:	9	-60	17	18	13	6	15	12	13	10	5	3	3
	2. construction confidence indicator	:	:	7	-62	30	30	32	42	32	(32)	(32)	42	(42)	(42)	(42)
	3. consumer confidence indicator (c)	:	-33	14	-26	2	2	-7	-13	-5	-4	-12	-13	-11	-16	-16
	4. share-price index (c)	78,5	23,3	111,6	104,4	357,5	364,1	358,3	402,5	365,8	362,2	346,8	367,9	428,4	411,1	411,1
	= 5. economic sentiment indicator	103,8	97,7	104,9	98,8	105,9	106,0	105,3	105,0	105,5	105,3	105,0	105,0	105,3	104,6	104,6
EUR	<i>gross domestic product (a)(b)</i>	1980 = 100				85,1	85,5	101,1	101,0	:	118,8	:	:	:	:	:
	<i>index of industrial production</i>	92,9	83,0	103,2	94,6	:	112,5	:	:	112,9	:	:	:	:	:	:
	1. industrial confidence indicator	16	-49	3	-36	3	4	6	6	6	6	6	6	6	6	6
	2. construction confidence indicator	:	:	-1	-50	-5	-2	-1	3	-2	(-1)	(0)	3	(4)	(2)	(2)
	3. consumer confidence indicator (c)	5	-17	1	-22	-5	-4	-5	-6	-5	-4	-7	-5	-6	-8	-8
	4. share-price index (c)	:	47,0	115,4	111,7	326,1	335,2	348,8	381,7	350,0	350,1	346,3	369,6	395,5	379,9	379,9
	= 5. economic sentiment indicator	107,5	96,6	104,1	97,4	103,7	104,1	104,0	104,1	104,1	104,3	103,8	104,3	104,3	103,7	103,7

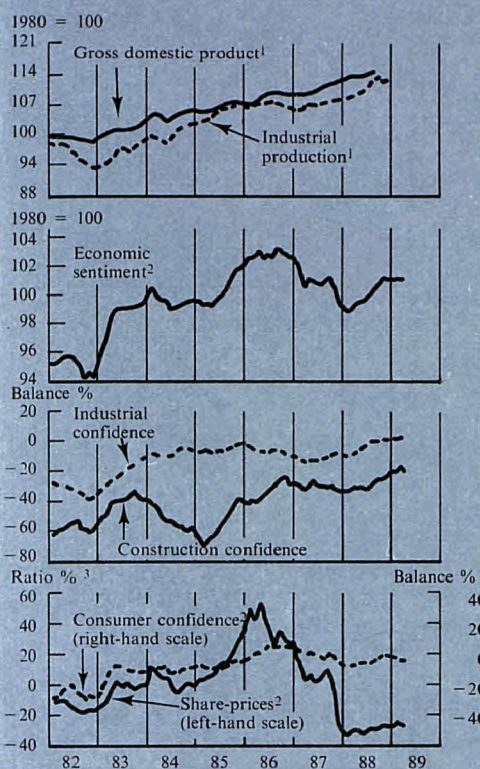
(a) Weighted total of quarterly figures for the Federal Republic of Germany, France, Italy and the UK.

(b) For the Federal Republic of Germany, gross national product for quarterly data.

(c) Not seasonally adjusted.

GRAPHS 5-10: Indicators of output and economic sentiment

GRAPH 5: Federal Republic of Germany

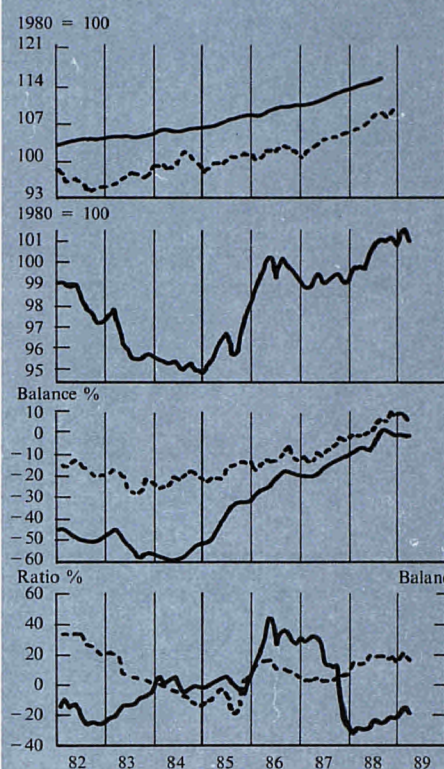


¹ Three-month moving average.

² See notes to Table 3.

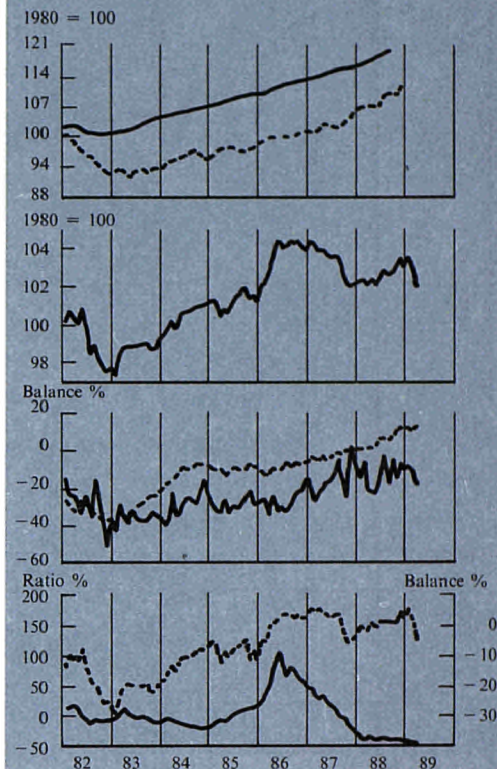
³ Deviations from trend in %.

GRAPH 6: France



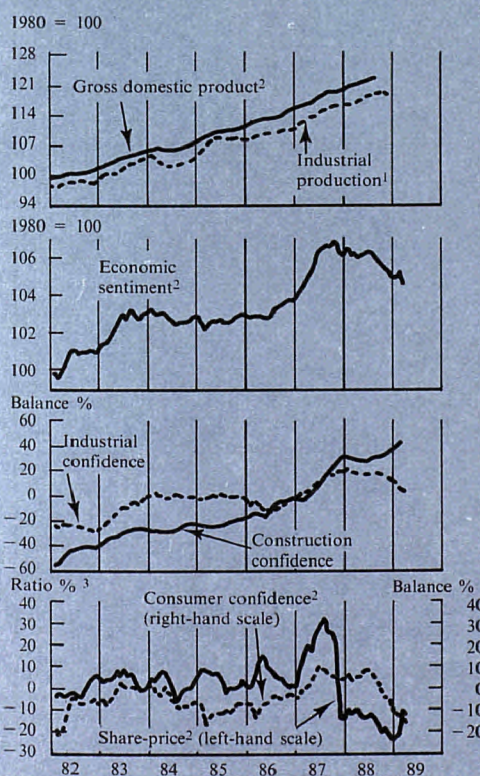
For explanations, see Graph 5.

GRAPH 7: Italy



For explanation, see Graph 5.

GRAPH 8: United Kingdom

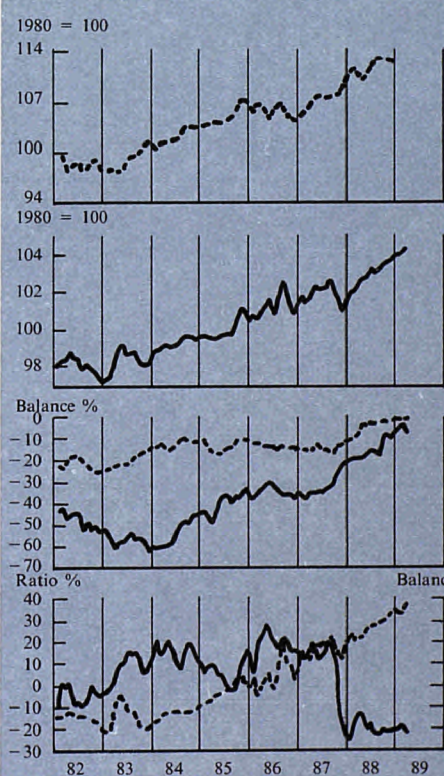


¹ Three-month moving average.

² See notes to Table 3.

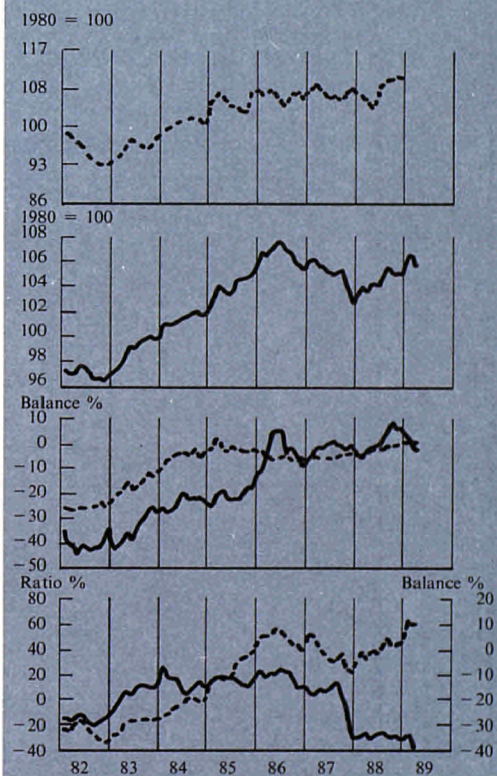
³ Deviations from trend in %.

GRAPH 9: Belgium



For explanations, see Graph 8.

GRAPH 10: Netherlands



For explanations, see Graph 8.

TABLE 4: Monthly survey of manufacturing industry — Monthly questions and the composite industrial confidence indicator (a)
Balances: i.e. differences between the percentages of respondents giving positive and negative replies (s.a.)

		Ranges (b)				1988		1988		1989	1988			1989		
		Peak 1972/73	Trough 1974/75	Peak 1979/80	Trough 1981/83			III	IV	I	Oct.	Nov.	Dec.	Jan.	Feb.	March
INDUSTRIAL CONFIDENCE INDICATOR	B	19	-56	-4	-35	-5	-3	-2	-1	-2	-3	-1	-1	-1	-1	0
	DK	:	:	:	-22	-1	-1	-1	4	-1	:	:	:	4	:	:
	D	10	-49	2	-40	-4	-1	1	3	1	1	1	2	2	3	4
	GR	:	:	:	:	-1	1	1	0	5	3	-4	2	-2	0	0
	E	:	:	:	:	-3	-5	-2	-3	-1	-1	-3	-4	-2	-2	-2
	F	29	-49	5	-39	4	6	9	10	10	8	9	10	11	9	9
	IRL	:	-41	20	-40	2	7	5	8	10	4	2	5	6	14	14
	I	31	-59	13	-41	6	6	12	12	10	13	12	12	11	13	13
	L	:	:	16	-65	4	5	5	7	7	4	4	4	7	10	10
	NL	12	-44	4	-31	-2	-1	0	1	-1	0	1	1	0	1	1
	P	:	:	11	-25	1	-1	4	0	4	3	4	1	0	0	-1
	UK	:	:	9	-60	17	18	13	6	15	12	13	10	5	3	3
	EUR	16	-49	3	-36	3	4	6	6	6	6	6	6	6	6	6
PRODUCTION EXPECTATIONS	B	31	-56	-4	-37	2	8	4	6	8	3	2	5	9	4	4
	DK	:	:	:	8	3	2	6	14	6	:	:	14	:	:	:
	D	17	-32	10	-30	5	7	9	8	8	9	9	7	9	9	9
	GR	:	:	:	:	20	16	22	25	29	23	15	23	24	27	27
	E	:	:	18	-20	10	9	12	8	13	12	10	8	7	9	9
	F	33	-29	18	-20	12	13	20	17	23	18	19	18	17	16	16
	IRL	:	-21	40	-33	9	14	17	17	26	12	12	13	12	27	27
	I	40	-43	24	26	16	19	25	27	21	27	26	27	26	27	27
	L	84	-80	40	-66	7	6	11	11	10	9	15	6	12	16	16
	NL	26	-26	20	-13	3	6	4	6	2	4	7	8	5	6	6
	P	:	:	30	-13	14	9	23	12	23	21	25	12	11	12	12
	UK	:	:	29	-52	31	34	28	21	29	27	29	25	20	17	17
	EUR	24	-30	15	-24	13	15	17	16	17	17	18	16	16	15	15
ORDER BOOKS	B	13	-74	-14	-49	-12	-10	-9	-6	-13	-12	-3	-6	-7	-4	-4
	DK	:	:	:	-34	-2	4	-2	4	-2	:	:	4	:	:	:
	D	5	-73	-6	-59	-12	-9	-4	-1	-4	-4	-5	-2	-2	2	2
	GR	:	:	:	:	-15	-10	-11	-14	-10	-12	-12	-9	-17	-16	-16
	E	26	-45	:	:	-9	-13	-7	-5	-8	-6	-8	-6	-6	-4	-4
	F	26	-69	0	-56	5	10	13	15	12	14	14	15	16	14	14
	IRL	:	-68	18	-55	-1	8	2	10	6	4	-4	7	9	13	13
	I	30	-82	7	-66	2	3	8	10	10	9	6	9	9	12	12
	L	:	:	8	-70	3	9	6	9	12	10	-3	3	11	13	13
	NL	7	-48	-5	-42	-7	-6	-3	-2	-2	-3	-3	-2	-2	-1	-1
	P	:	:	3	-35	-6	-7	-7	-7	-4	-8	-8	-6	-7	-8	-8
	UK	:	:	-2	-85	18	19	15	5	18	15	12	11	1	2	2
	EUR	15	-70	-7	-56	-1	1	4	4	5	4	3	5	3	5	5
EXPORT ORDER BOOKS	B	15	-82	-19	-55	-15	-12	-11	-12	-14	-13	-6	-10	-16	-9	-9
	DK	:	:	:	14	7	15	7	11	7	:	:	11	:	:	:
	D	:	:	-14	-50	-18	-16	-12	-4	-12	-12	-11	-6	-4	-2	-2
	GR	:	:	:	:	-20	-20	-19	-21	-20	-18	-18	-20	-26	-18	-18
	E*	:	:	:	:	-24	-24	-19	-16	-22	-19	-17	-17	-10	-20	-20
	F	24	-66	10	-52	8	13	19	20	16	20	20	24	19	16	16
	IRL	:	:	:	:	16	18	20	14	29	10	21	11	18	12	12
	I	13	-67	-6	-59	-11	-9	-3	-2	-2	-7	0	-2	-3	0	0
	L	:	:	9	-80	14	28	48	13	59	68	17	14	10	16	16
	NL	:	:	4	-35	-6	-4	-1	-8	-2	-1	-1	-6	-9	-9	-9
	P	:	:	-11	-72	4	6	-1	-10	5	-4	-5	-5	-11	-13	-13
	EUR	:	:	-12	-50	-8	-5	-3	-1	-2	-4	-2	0	-2	-1	-1
STOCKS OF FINISHED PRODUCTS	B	-14	37	2	18	3	6	1	3	2	0	2	2	5	1	1
	DK	:	:	:	24	4	8	6	7	6	:	:	7	:	:	:
	D	-7	43	-2	31	3	0	1	0	1	1	0	0	-1	0	0
	GR	:	:	:	:	10	4	7	11	3	3	16	9	13	12	12
	E	-17	24	15	35	11	10	10	10	9	10	10	14	7	10	10
	F	-14	50	3	42	6	5	6	2	5	9	5	4	-1	4	4
	IRL	:	35	-6	33	2	2	3	2	3	4	1	5	4	-2	-2
	I	-24	53	-8	32	1	3	-2	0	0	-2	-4	1	1	-1	-1
	L	-14	74	0	58	-2	-1	2	0	2	6	-1	-2	1	0	0
	NL	-3	57	3	39	3	3	1	2	3	1	0	2	2	3	3
	P	:	:	1	26	5	5	5	5	6	5	5	2	5	7	7
	UK	:	:	-1	42	-1	-2	3	7	1	6	1	5	7	9	9
	EUR	-10	48	-1	31	4	3	3	3	3	4	2	3	2	3	3
SELLING-PRICE EXPORTATIONS	B	64	-10	39	12	18	21	25	22	30	21	23	25	24	18	18
	DK	55	4	38	4	19	21	23	25	20	23	25	26	23	25	25
	D	:	:	:	:	24	25	22	26	20	21	24	33	20	25	25
	GR	:	:	:	:	13	9	17	29	8	14	29	37	28	22	22
	E*	76	15	62	17	20	24	29	24	25	28	34	25	25	21	21
	F	:	64	77	20	9	11	14	19	12	16	15	23	18	16	16
	IRL	76	10	87	37	22	24	27	32	24	27	30	32	31	32	32
	I	:	-46	74	-38	54	51	60	51	58	59	62	50	50	53	53
	L	:	:	:	:	24	21	28	27	21	28	36	37	33	22	22
	P*	:	:	:	:	29	29	33	27	33	34	32	28	26	26	26
	UK	:	:	70	7	29	29	33	27	33	34	32	28	26	26	26
	EUR	64	9	53	22	22	24	27	27	25	27	29	28	26	26	26

(a) The indicator is an average of the responses (balances) to the questions on production expectations, order-books and stocks (the latter with inverted sign).

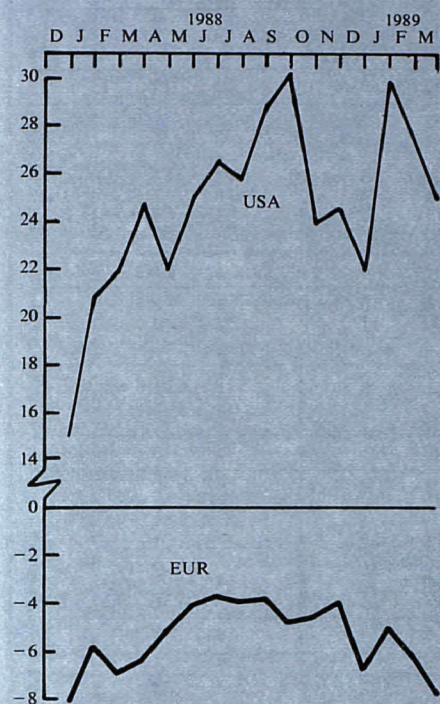
(b) These are the extreme (high and low) values of the balances of the different questions, reached in the course of 1972-1975 and 1979-1983, respectively.

Note: (s.a.) = seasonally adjusted. : = not available. () = estimated. * = figures not s.a.

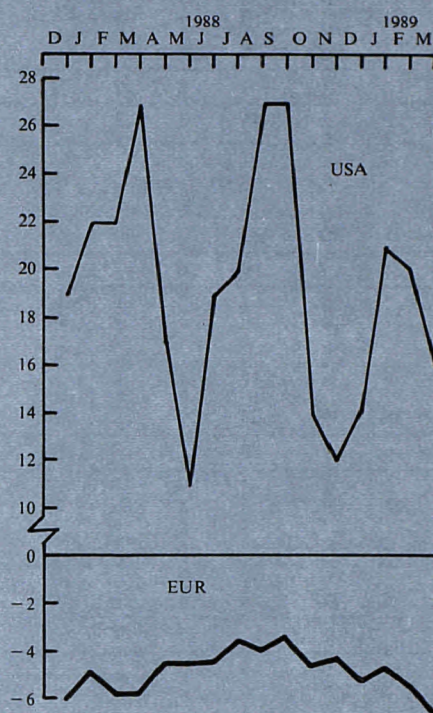
Source: European Community business surveys.

GRAPH 11: Consumer confidence indicator and its components in the European Community (—) and the United States (—)

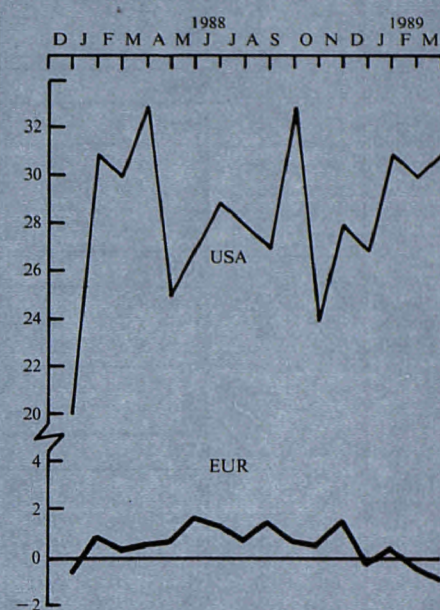
CONSUMER CONFIDENCE INDICATOR



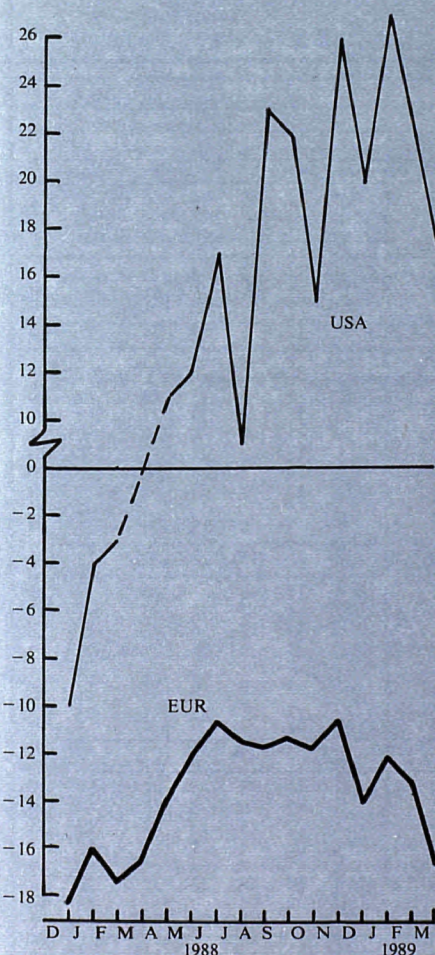
FINANCIAL SITUATION OF HOUSEHOLDS over next 12 months



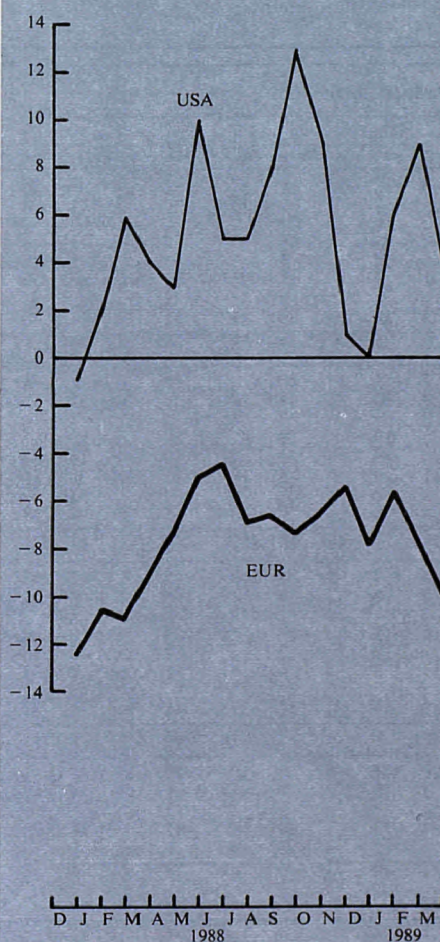
GENERAL ECONOMIC SITUATION over last 12 months



FINANCIAL SITUATION OF HOUSEHOLDS over last 12 months



GENERAL ECONOMIC SITUATION over next 12 months



MAJOR PURCHASES at present

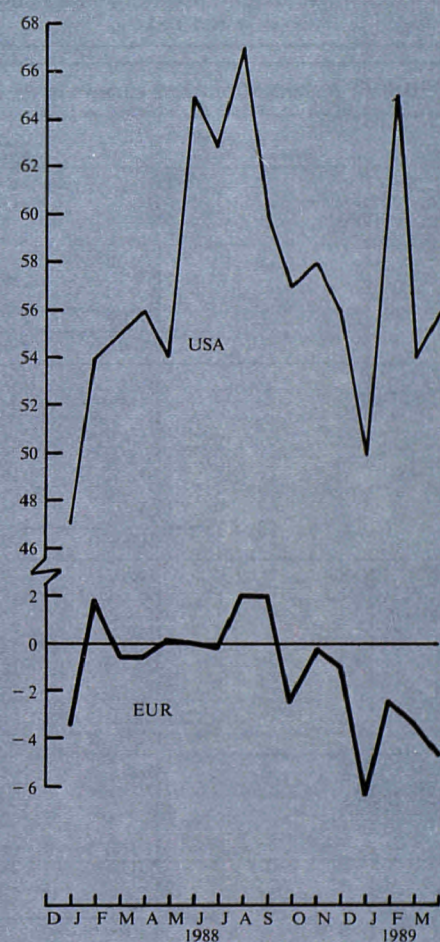


TABLE 5: Expected employment in the retail trade (a) (b)

		1985				1986				1987				1988			
		I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV
Food, drink, and tobacco	B	-8	-14	-9	-6	-2	-6	0	-5	3	1	-6	-4	3	10	2	6
	D	-3	-4	-5	-4	-2	1	-3	-4	0	1	2	-1	6	2	15	2
	E	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	3
	F	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:
	I	:	:	:	:	-6	1	4	3	0	2	-5	7	-4	8	-1	-3
	NL	:	:	:	:	5	9	10	1	2	14	1	4	9	9	7	7
	UK	21	27	33	30	28	28	21	6	13	44	27	47	37	25	33	46
	EUR	:	:	:	:	4	8	6	1	3	12	5	13	10	10	13	12
Textiles, clothing, footwear	B	1	-12	2	6	16	3	3	6	1	12	1	-13	2	0	2	5
	D	-2	-6	-2	-3	-3	-1	1	-2	-9	-1	-6	-10	-7	1	1	-11
	E	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	3
	F	:	:	:	:	:	:	-2	-5	-8	-4	-5	-9	-13	-13	-8	-6
	I	:	:	:	:	-11	-13	-3	-6	-19	-8	-14	-12	-11	-7	-14	-11
	NL	:	:	:	:	12	9	12	4	16	7	7	1	2	7	4	2
	UK	38	34	45	50	47	37	40	30	40	65	55	50	20	40	29	32
	EUR	:	:	:	:	9	6	8	4	1	11	6	3	-2	5	2	1
Household goods (total)	B	1	1	2	0	-1	-2	-1	0	-9	0	0	0	-4	0	2	-1
	D	-7	-10	-7	-10	-6	-4	1	-6	-2	0	-1	-4	2	0	1	-2
	E	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	6
	F	:	:	:	:	:	:	-8	0	-11	-4	-6	-2	-7	-1	-3	1
	I	:	:	:	:	-11	-11	-9	-15	-9	-1	4	-2	1	-9	2	10
	NL	:	:	:	:	10	7	7	8	12	11	7	7	8	5	8	8
	UK	34	37	35	29	29	21	13	11	19	44	8	39	-41	20	62	12
	EUR	:	:	:	:	2	1	-1	-2	-2	6	1	4	-7	2	10	5
Motor vehicles	B	8	5	0	-1	-4	9	7	16	0	1	0	-13	9	8	0	2
	D	-16	1	-13	-4	3	8	-4	3	-7	12	-6	-12	-5	-7	-4	-7
	E	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	19
	F	:	:	:	:	:	:	-6	-4	5	3	-9	-7	0	1	-7	-7
	I	:	:	:	:	-21	-8	-6	-14	-23	-16	-17	-15	1	-6	9	8
	NL	:	:	:	:	15	17	16	10	21	10	2	1	-4	-3	-11	-11
	UK	-8	-7	-5	17	8	4	15	-5	9	19	12	28	7	31	35	49
	EUR	:	:	:	:	-2	4	0	-2	-3	5	-5	-4	0	3	5	9
Retail trade— Total	B	-2	-9	-2	0	5	0	2	3	0	5	-2	-8	2	4	1	4
	D	-6	-4	-5	-4	-2	0	-1	-4	-4	4	-2	-6	0	0	5	-4
	E	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	8
	F	-19	-6	-8	-5	-17	-7	-7	-4	-14	-4	-11	-5	-13	-3	-5	2
	I	:	:	:	:	-8	-6	-4	-9	-10	-3	-5	-1	-3	-3	-1	0
	NL	:	:	:	:	11	10	10	7	11	11	6	5	6	7	1	4
	UK	16	20	23	28	24	21	16	10	20	38	25	41	16	28	33	37
	EUR	:	:	:	:	-1	1	1	-2	-2	7	0	4	0	4	6	7

(a) not s.a.; (b) net balances of positive and negative replies (in %).

Source: EC Survey in the retail trade.

TABLE 6: Results of business surveys in the retail trade (a) (b) (f)

		1987								1988										1989		
		June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.
PRESENT BUSINESS SITUATION	B (d)	-16	-11	-6	-12	-13	-7	-12	-2	-4	7	-26	-9	-6	-11	0	5	-15	4	0	2	1
	D	-15	-3	-5	-12	-3	7	10	-7	0	11	-8	-5	-10	-4	-8	4	-8	1	2	-2	-2
	E	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
	F (c)	.	-30	.	-20	.	-11	.	1	.	-8	.	-11	.	-16	.	-11	.	-10	.	-6	.
	I (c) (d)	.	4	.	-2	.	-1	.	0	.	3	.	0	.	4	.	11	.	6	.	9	.
	NL	39	36	41	33	45	35	35	32	26	30	30	30	47	40	31	37	41	31	38	38	28
	P	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	11	4
	UK (c)	9	32	22	21	22	20	24	38	37	27	10	21	27	23	46	17	8	27	24	15	-2
EUR (f)	(-3)	0	(-2)	-4	(0)	5	(6)	6	(8)	9	(-1)	1	(2)	2	(4)	5	(-1)	3	(3)	2	(-1)	
VOLUME OF STOCKS	B (d)	17	14	7	13	17	10	6	12	6	4	14	16	14	17	12	5	-6	15	18	10	13
	D	30	29	23	28	25	21	22	23	26	21	32	25	26	26	22	23	29	23	27	19	18
	E	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	-1	-2	-8	-10	-7	-4
	F (c)	.	27	.	19	.	20	.	19	.	18	.	22	.	20	.	17	.	24	.	12	.
	I (c) (d)	.	26	.	19	.	23	.	19	.	18	.	22	.	15	.	16	.	24	.	20	.
	NL	16	12	11	16	16	18	17	16	15	21	21	20	7	14	11	12	11	13	12	9	10
	P	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	9	19
	UK	4	8	8	5	6	7	13	8	8	9	18	6	13	12	1	-3	9	13	19	15	19
EUR (f)	(19)	23	(21)	19	(18)	18	(19)	18	(18)	17	(22)	20	(20)	19	(16)	12	(15)	18	(20)	13	(14)	
INTENTIONS OF PLACING ORDERS	B (d)	-9	-3	8	-4	-9	-14	-20	5	2	2	-2	-4	-11	3	6	12	-6	1	-10	7	4
	D	-14	-5	-1	-3	3	-6	-7	-6	-5	-8	-11	-13	-12	-5	-2	6	-2	-6	-3	-1	-5
	E	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	12	7	6	-3	-11	1
	F (c)	.	-27	.	-17	.	-19	.	-28	.	-16	.	-20	.	-28	.	-13	.	-15	.	-26	.
	I (c) (d)	.	-8	.	-11	.	-12	.	-12	.	-8	.	-11	.	1	.	-5	.	-8	.	-6	.
	NL	8	19	13	7	4	6	6	1	6	1	-3	-1	-2	6	-1	-3	10	6	13	10	19
	P	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	-2	-4
	UK	37	37	42	43	30	32	32	35	36	32	37	29	33	39	41	38	33	20	4	14	8
EUR (f)	(-5)	-2	(0)	1	(0)	-3	(-4)	-4	(-4)	-2	(-3)	-6	(-5)	-1	(0)	6	(3)	-1	(-5)	-5	(-5)	
EXPECTED BUSINESS SITUATION	B (d)	-4	16	29	-4	8	3	-18	12	19	15	2	0	-4	17	15	17	3	11	-7	19	26
	D	-4	8	3	8	7	-1	-1	1	11	4	1	0	5	-1	9	12	6	-2	9	6	14
	E	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	27	14	12	7	15	23
	F (c)	.	-48	.	-35	.	-44	.	-47	.	-38	.	-35	.	-36	.	-23	.	-24	.	-31	.
	I (c) (d)	.	6	.	2	.	2	.	1	.	9	.	-1	.	3	.	7	.	3	.	10	.
	NL	24	38	32	30	22	20	23	18	26	18	18	19	16	25	19	19	26	22	32	29	35
	P	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	17	14
	UK	.	.	42	.	.	28	.	.	35	.	.	40	.	.	43	.	.	20	.	.	20
EUR (f)	.	(2)	(1)	(4)	.	4	.	(-4)	(1)	(2)	.	0	.	(1)	(4)	(11)	(8)	1	(3)	4	(7)	

(a) not seasonally adjusted; (b) percentage balances; (c) bi-monthly; (d) excl. large multiple shops; (e) refers to volume of sales for the time of the year. (f) Spain participates in the retail trade business survey from September 1988 onwards and Portugal from January 1989 onwards; () = estimation.

Source: EC Survey in the retail trade.

TABLE 7: Survey of the construction industry

Balances: i.e. differences between the percentages of respondents giving positive and negative replies (s.a.)

		Range		Range		1988	1988			1988			1989		
		Peak 1972/73	Trough 1974/75	Peak 1979/80	Trough 1981/83		II	III	IV	Oct.	Nov.	Dec.	Jan.	Feb.	March
B	order-books	-13	-47	-20	-76	-27	-28	-28	-20	-20	-22	-19	-16	-14	-13
	employment expectations	+31	-24	+7	-53	-2	-5	0	+5	+4	+3	+7	+7	+9	+1
	price expectations	+75	+25	+61	-18	+15	+16	+15	+17	+15	+17	+18	+25	+21	+19
	construction confidence indicator (a)	+9	-36	-7	-65	-15	-17	-14	-8	-8	-10	-6	-5	-3	-6
DK	order-books	:	:	:	-38	-13	-8	-33	-23	-23	(-23)	(-23)	-15	(-15)	(-15)
	employment expectations	:	:	:	-35	-8	-10	-3	-7	-7	(7)	(-7)	-9	(-9)	(-9)
	construction confidence indicator (a)	:	:	:	-36	-10	-9	-18	-15	-15	(-15)	(-15)	-12	(-12)	(-12)
D	order-books	-17	-84	+2	-75	-47	-50	-45	-41	-42	-42	-38	-38	-36	-38
	employment expectations	+10	-60	+20	-53	-9	-12	-10	-5	-7	-6	-2	-2	+5	+1
	price expectations	+48	-37	+48	-49	-3	-5	-2	+3	+1	+2	+6	+11	+14	+14
	construction confidence indicator (a)	-4	-72	+11	-64	-28	-31	-28	-23	-25	-26	-20	-20	-16	-19
GR	order-books	:	:	:	-78	-65	-72	-58	-63	-63	(-63)	(-63)	-46	(-46)	(-46)
	employment expectations	:	:	:	-77	+9	+3	+17	+5	+5	(+5)	(+5)	+6	(+6)	(+6)
	price expectations	:	:	:	+9	+5	0	+21	-1	-1	(-1)	(-1)	+18	(+18)	(+18)
	construction confidence indicator (a)	:	:	:	-78	-28	-35	-21	-29	-29	(-29)	(-29)	-20	(-20)	(-20)
F	order-books	:	:	-26	-73	-9	-15	-3	-5	-5	(-5)	(-5)	-4	(-4)	(-4)
	employment expectations	:	:	-8	-47	+2	-1	+7	+3	+3	(+3)	(+3)	+1	(+1)	(+1)
	construction confidence indicator (a)	:	:	-17	-57	-4	-8	+2	-1	-1	(-1)	(-1)	-2	(-2)	(-2)
IRL	order-books	:	:	:	-58	-6	-35	+7	+17	+17	(+17)	(+17)	+18	(+18)	(+18)
	employment expectations	:	:	:	-61	-3	-16	+7	+10	+10	(+10)	(+10)	+18	(+18)	(+18)
	price expectations	:	:	:	:	-7	-12	-6	+22	+22	(+22)	(+22)	+16	(+16)	(+16)
	construction confidence indicator (a)	:	:	:	-60	-5	-26	+7	+14	+14	(+14)	(+14)	+18	(+18)	(+18)
I	order-books	-25	-68	-8	-62	-17	-22	-13	-13	-12	-12	-14	-22	-10	-19
	employment expectations	+10	-44	+2	-39	-9	-17	-3	-8	-17	-1	-6	+6	-11	-16
	price expectations	+85	+30	+79	+2	+25	+18	+29	+27	+17	+31	+34	+35	+16	+38
	construction confidence indicator (a)	-8	-56	-5	-51	-13	-20	-8	-11	-15	-7	-10	-8	-11	-18
L	order-books	+21	-50	+15	-79	-8	-7	-9	-13	-15	-13	-10	-26	-24	-14
	employment expectations	+31	-39	+46	-75	-5	+5	-18	-10	-8	-9	-12	-17	+8	+3
	price expectations	+82	+11	+81	-49	-15	-5	-22	-19	-18	-22	-17	-23	-18	-2
	construction confidence indicator (a)	+26	-45	+31	-77	-7	-1	-14	-12	-12	-11	-11	-22	-8	-6
NL	order-books	-8	-81	-10	-61	-3	-6	+1	-1	-3	0	-2	-4	-6	-4
	employment expectations	+14	-13	+15	-31	+6	+2	+9	+13	+15	+14	+11	+9	+5	-1
	price expectations	:	:	:	:	+17	+8	+18	+25	+20	+27	+27	+28	+30	+41
	construction confidence indicator (a)	+3	+47	+3	-46	+1	-2	+5	+6	+6	+7	+5	+3	-1	-3
UK	order-books	:	:	-1	-74	+19	+14	+22	+25	+25	(+25)	(+25)	+33	(+33)	(+33)
	employment expectations	:	:	+15	-50	+40	+39	+38	+39	+39	(+39)	(+39)	+51	(+51)	(+51)
	price expectations	:	:	+74	-21	+67	+70	+70	+70	+70	(+70)	(+70)	+68	(+68)	(+68)
	construction confidence indicator (a)	:	:	+7	-62	+30	+27	+30	+32	+32	(+32)	(+32)	+42	(+42)	(+42)
EUR	order-books	:	:	-9	-64	-16	-20	-12	-10	-11	(-11)	(-9)	-8	(-6)	(-8)
	employment expectations	:	:	+7	-35	+7	+3	+8	+9	+7	(+9)	(+10)	+13	(+13)	(+11)
	construction confidence indicator (a)	:	:	-1	-50	-5	-8	-2	-1	-2	(-1)	(+1)	+3	(+4)	(+2)

(a) The indicator is an average of the responses (balances) to the questions on order-books and employment expectations.

Source: European Community business surveys.

TABLE 8: Consumer opinion on economic and financial conditions (a)

		1980	1981	1982	1983	1984	1985	1986	1987	1988	1988						1989		
											July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March
CONSUMER CONFIDENCE INDICATOR (b)	B	-20	-27	-27	-28	-27	-21	-17	-12	-6	-6	-5	-5	-4	-3	-2	-3	-2	-1
	DK	-19	-17	-12	0	6	4	-3	-10	-16	:	-16	-20	-16	-18	-22	-20	-14	-17
	D	-5	-22	-26	-15	-10	-7	3	-1	-5	-6	-4	-3	0	0	-1	-2	-3	-3
	GR	:	:	0	-11	-4	-5	-20	-29	-21	-23	-21	-20	-19	-21	-21	-16	-15	-14
	E	:	:	:	:	:	:	-9	-8	-2	1	4	1	2	-2	-3	1	-3	-3
	F(d)	-10	-9	-5	-15	-23	-21	-14	-18	-11	-10	:	-10	-11	-10	-13	-9	-10	-11
	IRL	-22	-28	-34	-39	-33	-29	-28	-29	-16	-15	-16	-15	-16	-12	-12	-9	-6	-8
	I	-22	-22	-18	-24	-15	-12	-4	-4	-4	-4	:	-4	-4	-1	-4	0	-4	-9
	NL	-25	-31	-32	-30	-22	-7	5	-2	1	1	5	2	2	3	2	12	10	10
	P	:	:	:	:	:	:	-7	0	-8	-10	-13	-16	-7	-6	-6	-14	-11	-9
	UK	-18	-21	-12	-3	-4	-10	-7	5	2	7	2	-2	-5	-4	-12	-13	-11	-16
	EUR (c)	-13	-19	-17	-15	-14	-12	-6	-6	-5	-4	-4	-5	-5	-4	-7	-5	-6	-8
FINANCIAL SITUATION OF HOUSEHOLDS	B	-15	-19	-25	-29	-31	-23	-14	-9	-5	-6	-3	-5	-4	-4	-3	-4	-4	-4
	DK	-10	-12	-7	-4	-2	-3	-2	-1	-5	:	-2	-3	-5	-2	-5	-6	-7	-8
	D	-4	-16	-18	-14	-11	-8	1	1	0	0	0	0	2	0	2	-3	-2	-3
	GR	:	:	-2	-13	-8	-8	-24	-31	-21	-24	-22	-23	-18	-22	-20	-18	-15	-15
	E	:	:	:	:	:	:	-10	-9	-4	-2	-2	-3	-2	-6	-6	-2	-5	-7
	F(d)	-7	-8	-7	-11	-15	-13	-11	-14	-9	-9	:	-7	-8	-8	-10	-8	-6	-7
	IRL	-32	-38	-41	-43	-42	-37	-34	-31	-23	-21	-21	-22	-22	-18	-19	-19	-16	-18
	I	-14	-14	-13	-15	-12	-10	-6	-4	-3	-3	:	-1	-4	-2	-3	0	-2	-4
	NL	-9	-18	-20	-28	-26	-17	-3	0	2	2	4	3	1	3	0	6	6	6
	P	:	:	:	:	:	:	-8	-2	-5	-4	-8	-9	-6	-6	-4	-9	-8	-7
	UK	-24	-30	-27	-15	-15	-16	-13	-5	-6	-1	-5	-5	-11	-6	-11	-10	-13	-17
	EUR (c)	-11	-17	-16	-15	-15	-12	-8	-6	-5	-4	-4	-3	-5	-4	-5	-5	-5	-7

— over last 12 months

TABLE 8 (continued): Consumer opinion on economic and financial conditions (a)

		1980	1981	1982	1983	1984	1985	1986	1987	1988	1988						1989		
											July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March
FINANCIAL SITUATION OF HOUSEHOLDS (continued)	B	-6	-9	-12	-15	-18	-13	-5	-1	2	1	1	0	2	1	4	2	4	3
	DK	8	4	2	0	3	3	2	2	1	:	1	-2	2	-1	-3	0	-1	-2
	D	-3	-12	-14	-9	-6	-4	2	1	-1	-2	0	0	1	0	0	-2	-1	0
	GR	:	:	15	0	6	2	-12	-21	-13	-15	-15	-12	-12	-12	-15	-7	-4	-3
	E	:	:	:	:	:	:	3	2	5	7	10	6	5	3	4	6	5	3
	F(d)	-2	0	0	-4	-7	-3	-2	-4	1	0	:	1	0	2	0	2	1	1
	IRL	-19	-24	-23	-26	-22	-22	-15	-15	-9	-8	-11	-8	-9	-7	-7	-6	-6	-6
	I	-10	-8	-6	-8	-3	-2	1	2	2	1	:	2	1	3	2	4	3	0
	NL	-9	-13	-14	-21	-17	-6	2	2	4	3	5	5	3	6	4	8	7	6
	P	:	:	:	:	:	:	2	5	-1	0	-4	-6	-1	-3	-2	-6	-4	0
— over next 12 months	UK	-13	-15	-9	-2	-3	-5	-3	4	1	3	3	1	-2	4	-4	-5	-9	-8
	EUR (c)	-6	-9	-8	-7	-8	-4	0	0	1	1	2	1	1	2	0	0	0	-1
GENERAL ECONOMIC SITUATION	B	-58	-69	-68	-62	-57	-33	-29	-20	-17	-15	-16	-13	-13	-11	-10	-9	-6	-3
	DK	-56	-47	-42	-4	4	2	-10	-22	-31	:	-29	-37	-34	-34	-35	-31	-27	-28
	D	-18	-46	-51	-29	-14	-11	7	-2	-9	-11	-9	-4	-1	0	2	-2	-5	-4
	GR	:	:	-2	-11	-4	-10	-28	-34	-22	-23	-22	-21	-20	-24	-24	-23	-21	-21
	E	:	:	:	:	:	:	-15	-18	-9	-4	-5	-7	-8	-9	-12	-7	-11	-12
	F(d)	-39	-37	-28	-41	-54	-52	-34	-39	-29	-26	:	-24	-27	-26	-32	-27	-26	-26
	IRL	-56	-66	-74	-77	-65	-61	-58	-58	-30	-28	-26	-28	-30	-18	-17	-15	-12	-12
	I	-57	-60	-51	-57	-36	-26	-10	-7	-12	-12	:	-11	-11	-4	-11	-4	-11	-20
	NL	-55	-64	-64	-54	-19	8	18	-1	1	-1	8	4	9	10	15	21	21	19
	P	:	:	:	:	:	:	-5	5	-5	-4	-8	-13	-4	-7	-8	-14	-10	-12
— over last 12 months	UK	-55	-62	-40	-23	-25	-37	-29	-4	-4	2	-3	-8	-13	-16	-23	-25	-21	-32
	EUR (c)	-41	-51	-44	-37	-31	-28	-15	-14	-13	-12	-12	-11	-12	-11	-14	-12	-13	-17
— over next 12 months	B	-45	-51	-43	-38	-33	-17	-12	-9	-6	-7	-7	-4	-1	0	-1	-2	-2	1
	DK	-42	-29	-23	3	6	4	-7	-15	-22	:	-21	-26	-25	-27	-30	-24	-16	-20
	D	-19	-33	-32	-14	-10	-6	3	-8	-13	-16	-12	-11	-5	-5	-6	-5	-9	-6
	GR	:	:	25	6	10	3	-13	-22	-13	-16	-16	-13	-13	-14	-15	-11	-9	-8
	E	:	:	:	:	:	:	3	-2	2	6	6	4	2	-2	1	2	-1	-4
	F(d)	-40	-27	-23	-36	-45	-34	-18	-24	-12	-9	:	-11	-13	-10	-15	-9	-12	-14
	IRL	-35	-38	-42	-45	-29	-26	-26	-29	-10	-11	-10	-11	-11	-3	-3	-3	3	0
	I	-30	-30	-24	-25	-9	-8	3	-2	-2	-4	:	-1	-2	5	0	3	-5	-12
	NL	-48	-42	-42	-28	-5	10	12	-8	-4	-6	1	-1	4	6	9	11	9	10
	P	:	:	:	:	:	:	5	9	-2	0	-5	-10	-1	-2	-7	-9	-4	-6
PRICE TRENDS	UK	-24	-23	-10	-5	-10	-16	-14	4	-5	-2	-7	-10	-11	-13	-18	-17	-13	-20
	EUR (c)	-30	-30	-24	-21	-18	-14	-5	-8	-7	-7	-7	-7	-7	-5	-8	-6	-8	-10
— over last 12 months	B	65	69	77	78	78	72	49	32	24	26	26	26	25	26	28	35	38	35
	DK	50	51	48	26	26	26	10	0	3	:	4	6	-1	-2	0	-1	-2	-1
	D	44	52	46	23	15	9	-15	-14	-2	1	1	-2	-1	-1	5	10	14	16
	GR	:	:	15	30	24	26	39	42	26	25	25	22	25	26	30	25	22	22
	E	:	:	:	:	:	:	46	35	29	23	23	35	39	37	39	39	43	44
	F(d)	79	77	62	55	58	44	12	12	5	8	:	9	10	7	10	9	10	11
	IRL	85	87	87	80	71	59	47	35	28	30	28	25	25	27	28	31	24	26
	I	80	79	72	69	55	49	36	29	34	33	:	33	34	31	35	35	39	45
	NL	62	68	63	43	41	22	-2	-19	-12	-14	-15	-9	-6	-8	-2	-9	-11	-5
	P	:	:	:	:	:	:	31	30	45	40	48	48	46	47	51	51	49	53
— over next 12 months	UK	59	41	31	15	19	24	15	11	18	17	19	24	25	28	27	29	32	32
	EUR (c)	63	62	53	40	37	30	13	11	14	14	14	16	17	17	20	21	23	25
	B	42	40	45	40	37	36	27	19	21	22	24	28	26	25	29	34	35	32
	DK	38	31	31	12	16	15	7	6	4	:	4	5	0	1	0	-5	-4	-1
	D	51	50	43	30	28	25	5	12	24	30	28	22	22	24	29	31	30	32
	GR	:	:	25	37	38	42	44	47	35	36	32	31	33	36	38	39	36	37
	E	:	:	:	:	:	:	19	18	14	11	12	18	20	22	24	23	24	27
	F(d)	50	39	42	37	32	27	19	12	7	12	:	8	12	10	15	12	12	16
	IRL	56	52	46	39	35	32	23	25	20	22	22	18	19	21	25	26	21	17
	I	60	58	56	54	46	48	35	42	45	47	:	46	45	39	46	53	55	60
UNEMPLOYMENT	NL	61	52	50	38	25	17	6	2	14	18	13	22	20	15	19	10	17	20
	P	:	:	:	:	:	:	14	17	30	32	40	39	31	32	42	42	36	37
	UK	43	31	29	27	40	43	32	36	48	52	54	53	51	55	56	53	52	55
	EUR (c)	51	44	42	35	35	32	20	22	26	30	30	28	28	28	32	33	33	36
	B	57	67	60	57	44	37	33	35	22	22	23	24	16	11	11	12	14	7
	DK	39	37	29	30	5	-4	1	29	36	:	36	43	37	40	46	37	32	40
	D	20	43	43	30	20	16	4	19	26	26	27	25	15	17	19	17	20	15
	GR	:	:	11	10	11	17	31	36	25	28	21	23	21	24	21	24	23	20
	E	:	:	:	:	:	:	26	31	21	17	19	16	14	19	20	15	19	12
	F(d)	47	43	30	41	62	50	33	39	28	36	:	36	31	15	19	10	21	14
— over next 12 months	IRL	34	47	56	67	52	48	45	45	33	32	31	33	32	22	20	21	22	23
	I	51	52	56	57	49	47	39	40	42	43	:	39	40	36	38	31	36	35
	NL	59	72	72	67	36	0	-11	8	14	16	14	18	8	8	9	4	4	3
	P	:	:	:	:	:	:	27	15	11	9	15	10	4	3	6	6	4	5
	UK	58	50	34	37	32	35	32	7	-3	-6	-6	-9	-3	-1	1	-2	-5	-3
	EUR (c)	43	48	42	41	38	32	23	26	23	24	24	23	19	17	19	14	17	14

TABLE 8 (continued): Consumer opinion on economic and financial conditions (a)

		1980	1981	1982	1983	1984	1985	1986	1987	1988	1988						1989			
												July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March
MAJOR PURCHASES	B	23	15	13	6	6	-18	-26	-21	-5	-5	-2	-2	-4	-3	-1	-3	-3	0	
	DK	21	10	16	7	14	14	0	-15	-21	:	-27	-32	-16	-28	-37	-39	-17	-24	
	D	18	-1	-17	-8	-9	-8	4	4	-1	-1	1	0	2	4	-3	2	2	-1	
	GR	:	:	-35	-35	-24	-20	-22	-36	-34	-39	-31	-30	-32	-32	-31	-22	-23	-24	
	E	:	:	:	:	:	:	-27	-14	-4	-1	9	5	13	3	-3	5	-4	3	
	F(d)	39	28	30	19	6	-4	-3	-8	-6	-6	:	-7	-8	-9	-8	-3	-8	-8	
	IRL	30	24	13	-6	-9	-2	-10	-11	-8	-6	-11	-5	-7	-12	-13	-1	0	-2	
	I	2	4	1	-13	-15	-15	-8	-8	-6	-4	:	-8	-4	-5	-6	-4	-6	-11	
	NL	-2	-17	-21	-18	-44	-29	-6	-3	0	9	7	1	-6	-9	-19	12	7	9	
	P	:	:	:	:	:	:	-28	-17	-26	-42	-40	-41	-21	-12	-10	-30	-28	-22	
— at present	UK	28	26	25	32	31	24	24	24	23	31	24	10	11	14	-5	-6	0	-4	
	EUR (c)	22	12	6	5	0	-3	0	-1	0	2	2	-2	0	-1	-6	-2	-3	-5	
	B	-26	-28	-28	-30	-28	-30	-28	-20	-17	-19	-18	-12	-18	-16	-16	-20	-16	-13	
	DK	-14	-12	-10	-8	-7	-8	-12	-11	-13	:	-16	-15	-11	-12	-13	-9	-8	-14	
	D	-19	-25	-28	-29	-28	-26	-20	-20	-21	-23	-20	-18	-19	-20	-20	-21	-20	-21	
	GR	:	:	-24	-33	-38	-33	-42	-45	-39	-43	-39	-32	-30	-30	-32	-28	-33	-31	
	E	:	:	:	:	:	:	-26	-23	-22	-25	-18	-19	-25	-21	-18	-24	-27	-19	
	F(d)	-18	-13	-9	-10	-10	-9	-3	0	0	0	:	0	0	0	0	0	0	0	
	IRL	-19	-22	-27	-31	-25	-22	-20	-19	-12	-11	-11	-8	-14	-12	-8	-7	-10	-13	
	— over next 12 months	I	-17	-18	-22	-22	-21	-21	-21	-21	-21	-22	:	-20	-20	-24	-21	-20	-21	-20
NL		-23	-27	-27	-29	-27	-20	-15	-12	-12	-11	-14	-14	-13	-9	-10	-10	-14	-11	
P		:	:	:	:	:	:	6	5	4	2	2	0	4	10	13	16	15	13	
UK		-14	-19	-18	-15	-12	-14	-12	-10	-11	-8	-9	-14	-12	-11	-14	-15	-13	-15	
EUR (c)		-17	-20	-20	-21	-19	-18	-16	-14	-14	-15	-14	-14	-14	-14	-14	-15	-14	-14	
SAVINGS		B	38	41	40	46	46	46	43	52	57	56	59	59	56	59	62	57	62	58
		DK	15	23	26	40	41	50	46	50	48	:	43	48	55	49	41	57	38	39
		D	43	32	27	33	38	41	44	43	34	34	30	38	39	37	37	33	34	33
		GR	:	:	-25	-29	-20	-18	-51	-40	-36	-38	-32	-32	-34	-28	-30	-27	-29	-25
		E	:	:	:	:	:	:	36	43	43	40	47	44	44	43	43	50	43	43
	F(d)	-3	-2	-5	0	6	11	12	20	25	24	:	26	27	27	30	33	30	26	
	IRL	5	-3	-9	-3	-8	-1	-3	-7	1	5	8	5	-7	10	5	9	6	8	
	I	-6	-7	10	21	33	37	47	49	48	46	:	48	47	55	48	47	51	43	
	NL	19	27	38	35	34	41	48	50	54	53	55	58	57	58	58	58	60	55	
	P	:	:	:	:	:	:	-42	-27	-40	-43	-45	-51	-42	-37	-39	-42	-51	-46	
— at present	UK	6	5	5	10	17	20	23	31	30	31	30	34	33	32	29	42	36	35	
	EUR (c)	15	12	12	19	24	29	31	35	34	33	33	36	36	37	36	38	37	34	
	B	-20	-21	-25	-26	-27	-33	-9	-3	2	6	-1	1	-4	5	4	-1	5	4	
	DK	-20	-19	-18	-12	-11	-7	-6	-5	-7	:	-8	-3	-7	-11	-15	-3	-8	-13	
	D	44	23	-2	1	3	3	11	13	13	12	15	14	16	14	15	12	14	10	
	GR	:	:	-37	-41	-39	-40	-47	-57	-48	-50	-45	-47	-49	-46	-49	-40	-40	-41	
	E	:	:	:	:	:	:	-39	-35	-33	-32	-25	-35	-34	-38	-36	-31	-42	-37	
	F(d)	-32	-32	-32	-35	-37	-36	-31	-34	-29	-28	:	-28	-29	-30	-28	-24	-27	-25	
	IRL	-13	-19	-22	-25	-37	-28	-30	-31	-25	-25	-25	-28	-31	-19	-21	-26	-22	-21	
	— over next 12 months	I	-32	-30	-22	-27	-20	-17	-10	-6	-3	-1	:	-1	-3	0	-5	-2	-3	-8
NL		0	-1	-3	-8	-2	6	12	17	25	25	28	22	23	30	24	27	27	28	
P		:	:	:	:	:	:	-39	-27	-30	-30	-27	-31	-30	-27	-31	-36	-38	-34	
UK		-16	-20	-17	-13	-12	-14	-12	-6	-6	-3	-5	-5	-5	-7	-13	-5	-8	-15	
EUR (c)		-4	-11	-17	-17	-16	-15	-11	-10	-8	-7	-6	-7	-8	-8	-9	-7	-8	-10	
FINANCIAL SITUATION OF HOUSEHOLDS		B	9	7	6	5	6	5	13	14	17	19	17	16	16	16	17	16	16	16
		DK	4	4	4	8	8	11	10	10	11	:	11	14	12	12	11	13	11	10
		D	21	16	12	11	11	12	17	17	18	17	20	19	19	18	20	19	21	19
		GR	:	:	0	0	2	3	1	-2	2	4	4	5	5	2	4	3	5	4
		E	:	:	:	:	:	:	5	5	7	7	8	8	6	5	6	8	6	6
	F(d)	8	8	8	6	4	3	3	0	2	3	:	3	2	0	1	2	3	3	
	IRL	2	-4	-1	-1	-1	-1	-1	-1	2	4	3	3	2	5	4	2	3	4	
	I	8	8	13	9	11	12	15	16	18	17	:	20	17	20	16	17	16	16	
	NL	19	18	17	15	13	16	19	19	21	21	22	21	20	21	20	21	22	21	
	P	:	:	:	:	:	:	2	8	7	7	7	9	8	6	4	9	6	5	
— indicator of net acquisition of financial assets	UK	8	9	9	12	12	11	11	14	14	16	15	15	15	15	14	14	13	9	
	EUR (c)	12	11	10	9	9	9	11	11	12	13	13	14	13	12	12	13	13	12	

(a) The sum of the replies for each Member State are weighted in the Community total with the value of consumers' expenditure.

(b) The indicator represents the arithmetic average of results for five questions, namely the two on the financial situation of the household, the two on the general economic situation, and that concerning major purchases at present.

(c) If monthly data are not available, the EUR-averages incorporate the most recent available results.

(d) Data of an experimental and provisional nature from June 1986 onwards; they do not involve the responsibility of the INSEE.

Institutes carrying out the surveys

Country	Survey: Manufacturing industry	Construction	Investment	Retail sale	Consumer
Belgium	BNB Banque Nationale de Belgique	BNB	BNB	BNB	DIMARSO Gallup Belgium DS
Denmark	DS Danmarks Statistik	DS	DS	—	—
Federal Republic of Germany	IFO Institut für Wirtschafts- forschung	IFO	IFO	IFO	GfK Marktforschung
Greece	IEIR Institute of Economic and Industrial Research	IEIR	IEIR	—	NSSG National Statistical Service of Greece
Spain	MIE Ministerio de Industria y Energia	—	MIE	—	INTERGALLUP S.A. and INTERCAMPO S.A. INSEE
France	INSEE Institut National de la Statistique et des Etudes Economiques	INSEE	INSEE	INSEE	—
Ireland	CII and ESRI Confederation of Irish Industries and Economic and Social Research Institute	CIF Construction Industry Federation	CII and ESRI	—	TEAGASC The Agricultural and Food Development Authority ISCO
Italy	ISCO Istituto per lo Studio della Congiuntura	ISCO	ISCO	ISCO	—
Luxembourg	STATEC Service Central de la Statistique et des Etudes Economiques	STATEC	STATEC	—	—
Netherlands	CBS Centraal Bureau voor de Statistiek	EIB Economisch Instituut voor de Bouwnijverheid	CBS	NIPO Nederlands Instituut voor de Publieke Opinie en het Marktonderzoek	CBS
Portugal	INE Instituto Nacional de Estatistica	AECOPS Associação de Empresas de Construção e Obras Públicas do Sul	INE	—	NORMA
United-Kingdom	CBI Confederation of British Industry	BEC Building Employers Confederation	BSO Business Statistics Office	CBI	GALLUP Gallup Institute

Questions of European Community business and consumer surveys

Manufacturing industry

Monthly:

- estimate of production trend in recent months: up, unchanged, down?
- order-books: above normal, normal, below normal?
- export order-books: above normal, normal, below normal?
- stocks of finished products: above normal, normal, below normal?
- production expectations in the months ahead: up, unchanged, down?
- selling price expectations in the months ahead: up, unchanged, down?
- Quarterly (January, April, July and October):
- employment expectations for the months ahead: up, unchanged, down?
- limits to production: none, insufficient demand, shortage of labour, lack of equipment, others?
- production capacity: more than sufficient, sufficient, not sufficient?
- duration of assured production: in months?
- new orders in the recent past: up, unchanged, down?
- export volume expectations for the months ahead: up, unchanged, down?
- capacity utilization: in %?
- stocks of raw material: high, normal, low?

All industries

- Half-yearly (undertaken in March/April and October/November):
- investment trends and prospects: yearly percentage change of investment expenditure in current money values.

Building industry

- Monthly (except for Denmark, Greece, France, Ireland and the United Kingdom, where the survey is carried out quarterly):

- current production compared with the preceding month: up, unchanged, down?
- factors holding up production: none, lack of demand, bad weather, shortage of manpower, shortage of material and/or equipment, others?
- order-books or production schedules: above normal, normal, below normal?
- employment expectations in the months ahead: up, unchanged, down?
- price expectations in the months ahead: up, unchanged, down?

Quarterly (January, April, July and October)

- duration of assured production: in months?

Retail trade sector

Monthly (France and Italy bi-monthly):

- we consider our present business (sales) position to be: good, satisfactory (normal for the season), bad;
- we consider our present stock to be: too small, adequate (normal for the season), too large;
- we expect that our orders placed on suppliers during the next (three) months, excluding purely seasonal variations, will be: up, unchanged, down;
- our business trend over the next six months, excluding purely seasonal variations, will improve, remain unchanged, deteriorate.

Quarterly:

- In the next three months, and compared with today, the number of persons we employ will: increase, remain unchanged, decline.

Consumer survey

Monthly:

- Financial situation of your household now compared to 12 months ago: a lot better, a little better, the same, a little worse, a lot worse, don't know.
- Financial situation of your household, prospects over the next 12 months: a lot better, a little better, the same, a little worse, a lot worse, don't know.

- General economic situation in the country now compared to 12 months ago: a lot better, a little better, the same, a little worse, a lot worse, don't know.
- General economic situation in the country, prospects over the next 12 months: a lot better, a little better, the same, a little worse, a lot worse, don't know.
- Price level now compared to 12 months ago: much higher, moderately higher, a little higher, about the same, lower, don't know.
- Price trend over the next 12 months: more rapid increase, same increase, slower increase, stability, slight decrease, don't know.
- Unemployment level in the country over the next 12 months will: increase sharply, increase slightly, remain the same, fall slightly, don't know.
- Major purchases (furniture, washing machine, TV, etc.) at present: yes, right time; neither right nor wrong time, should postpone; don't know.
- Major purchases next 12 months, compared to last 12 months: much more, a little more, the same, a little less, much less, don't know.
- Savings at present, a reasonable time to save: yes, certainly; yes, perhaps; probably not; certainly not; don't know.
- Savings by you or your household over the next 12 months: yes, certainly; yes, perhaps; probably not; certainly not; don't know.
- Financial situation of households at present — financial assets accumulation: borrowing, drawing on savings, just making ends meet, saving a little, saving a substantial amount, don't know.

Economic sentiment indicator

The economic sentiment indicator is a composite measure in which the industrial confidence indicator and the consumer confidence indicator are given equal weight, while the construction confidence indicator and the share-price index are attributed half the weight of each of the other two. The share-price index is included in the composite indicator in ratio-to-trend form, in order to separate short-term or cyclical variations from long-term increases in the value of shares. The long-term trend of the series is calculated using the NBER Bry-Boschan growth cycle programme. For a fuller description of the economic sentiment indicator and its components, see the technical note in the November 1982 issue of this Supplement.

Industrial confidence indicator

The industrial confidence indicator is the arithmetic average of the answers (balances) to the questions on production expectations, order-books and stocks (the latter with inverted sign).

Construction confidence indicator

The construction confidence indicator is the arithmetic average of the answers (balances) to the questions on order-books and employment expectations.

Consumer confidence indicator

The consumer confidence indicator is the arithmetic average of the answers (balances) to the four questions on the financial situation of households and general economic situation (past and future) together with that on the advisability of making major purchases. For a more detailed description of the consumer confidence indicator see technical note in the December 1982 issue of Supplement C.

Industrial confidence indicator

The industrial confidence indicator is the arithmetic average of the answers (balances) to the questions on production expectations, order-books and stocks (the latter with inverted sign).

Construction confidence indicator

The construction confidence indicator is the arithmetic average of the answers (balances) to the questions on order-books and employment expectations.

Consumer confidence indicator

The consumer confidence indicator is the arithmetic average of the answers (balances) to the four questions on the financial situation of households and general economic situation (past and future) together with that on the advisability of making major purchases. For a more detailed description of the consumer confidence indicator see technical note in the December 1982 issue of Supplement C.

Prices (excluding VAT) in Luxembourg

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Series B 'Business and consumer survey results' 23,50
(11 issues per year)

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OF THE EUROPEAN COMMUNITIES

L-2985 Luxembourg



CB-AT-89-004-EN-C